

NEW APPLICATION

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION



0000041212

COMMISSIONERS

JEFF HATCH-MILLER, CHAIRMAN

WILLIAM A. MUNDELL

MARC SPITZER

MIKE GLEASON

KRISTIN K. MAYES

2006 MAR -9 P 4: 37

AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF
SANTA CRUZ WATER COMPANY, LLC TO
TRANSFER ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY AND
ASSETS TO GLOBAL WATER – SANTA CRUZ
WATER COMPANY

-SW-20445A-06-0155
-W-20446A-06-0155
-SW-03575A-06-0155
W-03576A-06-0155

IN THE MATTER OF THE APPLICATION OF
PALO VERDE UTILITIES COMPANY, LLC TO
TRANSFER ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY AND
ASSETS TO GLOBAL WATER – PALO VERDE
UTILITIES COMPANY

APPLICATION

I. INTRODUCTION.

Santa Cruz Water Company, LLC (“Santa Cruz”) and Palo Verde Utilities Company, LLC (“Palo Verde”)(collectively, “Current Global Subsidiaries”) request that the Commission transfer their Certificates of Convenience and Necessity (“CC&Ns”) to Global Water – Santa Cruz Water Company (“Global Santa Cruz”) and Global Water – Palo Verde Utilities Company (“Global Palo Verde”)(collectively, “New Global Subsidiaries”), respectively. The Current Global Subsidiaries also request that the Commission approve the transfer of their assets to the New Global Subsidiaries.

The transfer will serve two purposes. First, the Commission has expressed a preference that utilities under its jurisdiction be formed as corporations rather than as limited liability companies (“LLCs”). The New Global Subsidiaries are corporations, while the Current Global Subsidiaries are LLCs. Second, the names of the New Global Subsidiaries include the phrase “Global Water”. This indicates their affiliation with their ultimate parent, Global Water

Resources, LLC ("Global"). This will reduce customer confusion. The "Global Water" brand will be used in advertisements to promote water conservation and reuse in the service areas of the Current Global Subsidiaries. Global has already provided copies of these advertisements to the Commissioners and Staff.

II. THE CURRENT GLOBAL SUBSIDIARIES.

The Current Global Subsidiaries hold CC&Ns from the Commission. The Commission originally granted CC&Ns to the predecessors of the Current Global Subsidiaries in Decision No. 61943 (Sept. 17, 1999). The CC&Ns were originally granted to corporations. The prior owners of the Current Global Subsidiaries transferred operations to LLCs in 2001. The Commission retroactively transferred the CC&Ns to the Current Global Subsidiaries in Decision No. 66394 (October 6, 2003). That decision also extended the CC&Ns to additional territory in Pinal County.

In early 2004, Global obtained ownership of the Current Global Subsidiaries from the prior owners. The Commission approved further extensions of the CC&Ns of the Current Global Subsidiaries in Decision Nos. 67240 (Sept. 23, 2004), 67830 (May 5, 2005) and 68448 (February 2, 2006). The Commission later modified the bond provisions of Decision No. 67830 in Decision No. 68186 (September 30, 2005). (Decisions No. 61943, 66394, 67240, 67830, 68186 and 68448 will be called the "CC&N Orders").

The Current Global Subsidiaries have additional applications pending to extend their CC&Ns in the following dockets:

- 1) SW-03575A-05-0926 and W-03576A-05-0926
- 2) SW-03575A-05-0470 and W-03576A-05-0470 (order preliminary issued)

If the Commission issues final orders concerning these pending applications prior to ruling on this Application, no change in the pending applications is needed. If the Commission rules on this Application before it issues final orders concerning these pending applications, the applicants in those cases should be changed to the New Global Subsidiaries.

Global has several other subsidiaries that are not affected by this Application. These other subsidiaries are already corporations, so there is no need to transfer their CC&Ns. The other Global subsidiaries are:

<u>Name</u>	<u>State of Incorporation</u>	<u>Comment</u>
Cave Creek Water Co.	Arizona	CC&N holder
Pacer Equities, Inc.	Arizona	Affiliate of Cave Creek
Hassayampa Utility Company, Inc.	Arizona	CC&N Application Pending ¹
Global Water Resources, Inc.	Delaware	Direct parent of corporate operating subsidiaries

Global's intent is that any new subsidiaries that will apply for CC&Ns will be formed as corporations.

III. THE NEW GLOBAL SUBSIDIARIES.

The New Global Subsidiaries are corporations, in accordance with the Commission's preference that regulated utilities be corporations. The Articles of Incorporation of Global Santa Cruz are attached as Exhibit A. A Certificate of Good Standing for Global Santa Cruz is attached as Exhibit B. The Articles of Incorporation of Global Palo Verde are attached as Exhibit C. A Certificate of Good Standing for Global Palo Verde is attached as Exhibit D.

The New Global Subsidiaries are 100% owned by Global Water Resources, Inc., which also owns 100% of the Current Global Subsidiaries. In turn, Global Water Resources, Inc. is 100% owned by Global.

Other than being corporations, little will change as a result of the proposed transfers. The officers and directors of the New Global Subsidiaries will be the same as the Current Global Subsidiaries. The certified operators will be the same. There will be no change in the existing or planned facilities due to the proposed transfer. For this reason, updated estimates of revenues, expenses, customers, and starting and completion dates for construction are not relevant and are

¹ Docket No. SW-20422A-05-0659.

1 not being provided. The New Global Subsidiaries propose to charge the same rates as the Current
2 Global Subsidiaries. There will be no change in capitalization or financing as a result of the
3 proposed transfers. The financial condition of the New Global Subsidiaries will be the same as the
4 Current Global Subsidiaries.

5 The New Global Subsidiaries will assume all compliance obligations under the CC&N
6 Orders. This includes the obligation to obtain all required Arizona Department of Water
7 Resources and Arizona Department of Environmental Quality approvals by the dates specified in
8 the CC&N Orders. Likewise, the New Global Subsidiaries will also obtain all franchises by the
9 dates required in the CC&N Orders. Similarly, the New Global Subsidiaries will also obtain all
10 main extension agreements by the dates required in the CC&N Orders. The only change in tariffs
11 will be that the names of the New Global Subsidiaries will replace the names of the Current Global
12 Subsidiaries. The New Global Subsidiaries will maintain the bonds required by the CC&N
13 Orders.

14 Global will publish notice of this Application in the form that will be specified by the
15 Hearing Division. Global will also mail notice to the customers of the Current Global Subsidiaries
16 in the form that will be specified by the Hearing Division. Global is current in all property taxes.

17 **IV. PUBLIC INTEREST ANALYSIS.**

18 The Commission has expressed concern about regulated utilities being formed as LLCs.
19 The Commission issued a Notice of Inquiry on this topic. *See Notice of Inquiry regarding the*
20 *Form of Organization of Public Service Corporations* dated December 3, 2004. Because the
21 Commission prefers regulated utilities to be corporations, the proposed transfers are in the public
22 interest, as they will result in the CC&Ns being held by corporations.

23 Global is preparing an advertising campaign to raise awareness of the importance of water
24 conservation, and Global's efforts in that field. These advertisements will use the brand "Global
25 Water". The brand "Global Water" is part of the names of the New Global Subsidiaries. This will
26 reduce customer confusion. Further, by using the words "Global Water" as part of the names of
27

ROSKA DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 the New Global Subsidiaries, the public and regulators will be able to clearly link the New Global
2 Subsidiaries to Global. This is more convenient, and increases accountability.

3 **V. CONCLUSION.**

4 The proposed transfers will have no effect on customers, except that they will see a new
5 name on their bills. The proposed transfers will allow the CC&Ns to be held by a type of entity
6 that the Commission prefers. Global requests that the Commission approve the proposed transfers.

7 **WHEREFORE**, the Current Global Subsidiaries request that the Commission enter an
8 order:

- 9 1) Approving this Application;
- 10 2) Transferring Santa Cruz's CC&N to Global Santa Cruz;
- 11 3) Transferring Palo Verde's CC&N to Global Palo Verde;
- 12 4) Authorizing under A.R.S. § 40-285, the transfer of the assets of Santa Cruz to
- 13 Global Santa Cruz; and
- 14 5) Authorizing under A.R.S. § 40-285 the transfer of the assets of Palo Verde to
- 15 Global Palo Verde; and
- 16 6) Granting any other approvals required to effectuate the transfers described herein.

17 RESPECTFULLY submitted this 9th day of March 2006.

18 ROSKA DEWULF & PATTEN, PLC

19
20
21 By 

22 Michael W. Patten
23 One Arizona Center
24 400 East Van Buren Street, Suite 800
25 Phoenix, Arizona 85004
26 (602) 256-6100
27

ROSHKA DeWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 Original + 20 copies of the foregoing
2 filed this 9th day of March 2006, with:

3 Docket Control
4 ARIZONA CORPORATION COMMISSION
5 1200 West Washington
6 Phoenix, Arizona 85007

7 Copies of the foregoing hand-delivered/mailed
8 this 9th day of March 2006, to:

9 Lyn A. Farmer, Esq.
10 Chief Administrative Law Judge
11 Hearing Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

15 Christopher C. Kempley, Esq.
16 Chief Legal Counsel, Legal Division
17 Arizona Corporation Commission
18 1200 West Washington
19 Phoenix, Arizona 85007

20 Ernest G. Johnson, Esq.
21 Director, Utilities Division
22 Arizona Corporation Commission
23 1200 West Washington
24 Phoenix, Arizona 85007

25
26 By Mary Appalato
27

N:\Cases\Global Water Resources\Reorganization Plan (06-0103)\pleadings\CC&N Transfer Application FINAL.doc

EXHIBIT

"A"

AZ CORPORATION COMMISSION

FROM-BURCH & CRACCHIOLO

48022548341

AZ Corp. Commission



01411399

EXP^m FILED
DEC 07 2005
FILE NO. -12467404

**ARTICLES OF INCORPORATION
OF
GLOBAL WATER - SANTA CRUZ WATER COMPANY**

1. **NAME.** The name of the Corporation is **GLOBAL WATER - SANTA CRUZ WATER COMPANY.**
2. **INITIAL BUSINESS.** The purpose for which this Corporation is organized is for the purposes of operating a water utility company.
3. **AUTHORIZED CAPITAL.** The corporation shall have authority to issue Ten Thousand (10,000) shares of Common Stock. The sole shareholder of the Corporation shall be Global Water Inc., a Delaware Corporation.
4. **KNOWN PLACE OF BUSINESS.** The street address of the known place of business of the Corporation is:

22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037
5. **STATUTORY AGENT.** The name and address of the Statutory Agent of the Corporation is:

Andrew Abraham, Esq.
702 E. Osborn Rd., Suite 200
Phoenix, Arizona 85014
6. **BOARD OF DIRECTORS.** The initial board of directors shall consist of the names and addresses of the persons who are to serve as the directors until the first annual meeting of the shareholders or until his/her successor is elected and qualifies is (are):

Trevor Hill
22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037

Cindy Liles
22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037

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DEC-11-05 04:23PM FROM-BURCH & GRACCHIOLO

#6022340341

T-251 P.005/018 P-154

-12447404

7. **OFFICERS.** The initial officer(s) of the Corporation who shall serve at the pleasure of the board of director(s) is (are):

Trevor Hill
22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037

Cindy Liles
22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037

8. **INCORPORATOR.** The name and address of the incorporator is:

Andrew Abraham, Esq.
702 E. Osborn Rd., Suite 200
Phoenix, Arizona 85014

All powers, duties, and responsibilities of the incorporator(s) shall cease at the time of delivery of these Articles of Incorporation to the Arizona Corporation commission.

9. **INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS.** The Corporation shall indemnify any person who in good faith incurs expenses or liabilities by reason of the fact he or she is or was an officer, director, employee or agent of the Corporation or is or was serving at the request of the Corporation, the partnership, joint venture, trust or other enterprise. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law.

10. **LIMITATION OF LIABILITY.** To the fullest extent permitted by the Arizona Revised Statutes as the same exists or may hereafter be amended, a director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for any action taken or any failure to take any action in good faith as a director. No repeal, amendment or modification of this article, whether direct or indirect, shall eliminate or reduce its effect with respect to any act or omission of a director of the Corporation occurring prior to such repeal, amendment, or modification.

EXECUTED this 1st day of December, 2005 by the Incorporator.

Signed: 

Andrew Abraham, Esq.
Phone: (602) 234-9917
Fax: (602) 234-0341

DEC-15-05 04:13PM FROM-BURCH & CRACCHIOLO

4022340341

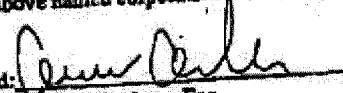
T-281 P.006/008 F-254

-12467464

ACCEPTANCE OF APPOINTMENT BY STATUTORY AGENT

The undersigned hereby acknowledges and accepts the appointment as statutory agent of the above named corporation effective this 14 day of December, 2005.

Signed:



Andrew Abraham, Esq.
Phone: (602) 234-9917
Fax: (602) 234-0341

DEC-15-05 04:23PM FROM-BURCH & CRACCHIOLO

#022340341

7-287 P.107/808 F-254

ARIZONA CORPORATION COMMISSION
CORPORATIONS DIVISIONTucson Address: 450 West Congress
Tucson, Arizona 85701-1347Mailing Address: 1100 West Washington
Phoenix, Arizona 85007-3929PROFIT
CERTIFICATE OF DISCLOSURE
A.R.S. §10-302.DGLOBAL WATER - SANTA CRUZ WATER COMPANY
EXACT CORPORATE NAME

A. Has any person serving either by election or appointment as officer, director, trustee, incorporator and persons supervising or holding over 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation:

1. Been convicted of a felony involving a transaction in securities, securities fraud or criminal in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretense, or receipt of stolen property in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
3. Been or was subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
 - (a) involved the violation of fraud or registration provisions of the securities laws of that jurisdiction; or
 - (b) involved the violation of the common law of that jurisdiction; or
 - (c) involved the violation of the contract or contract of trade laws of that jurisdiction?

Yes ☐ No ☒

B. IF YES, the following information MUST be provided:

1. Full name, prior name(s) and aliases, if used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for information preceding 7-year period).
5. Date and location of birth.

6. Social Security number.

7. The cause and description of each conviction or judicial action, date and location, the court and public agency involved and file or case number of case.

C. Has any person serving as an officer, director, trustee or incorporator of the corporation served in any such capacity or held or controlled over 20% of the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in any other corporation which has been placed in bankruptcy, receivership or had its charter revoked, or administratively or judicially dissolved by any state or jurisdiction?

Yes ☐ No ☒

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the corporation.
2. Full name (including aliases) and address of each person involved.

3. State(s) in which the corporation:
 - (a) Was incorporated. (b) Has transacted business.
4. Dates of corporate operation.
5. Date and cause number of bankruptcy or date of revocation/administrative dissolution.

D. The fiscal year end adopted by the corporation is Calendar.

Under penalties of law, the undersigned incorporator(s)/officer(s) declare(s) that (s)he/they have executed this Certificate, including any attachments, and to the best of (s)he/their knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY Andrew Abraham
PRINT NAME Andrew Abraham
TITLE Incorporator DATE 12/7/05

BY _____
PRINT NAME _____
TITLE _____ DATE _____

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. If within sixty days, any person becomes an officer, director, trustee or person controlling or holding over 10% of the issued and outstanding shares or 10% of any other proprietary, beneficial, or membership interest in the corporation and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by at least one duly authorized officer of the corporation.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.
CY: 0022 - Business Corporations
Rev: 04/04

TOTAL P.85

EXHIBIT

"B"

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeill, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****GLOBAL WATER - SANTA CRUZ WATER COMPANY*****

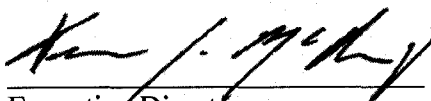
a domestic corporation organized under the laws of the State of Arizona, did incorporate on December 7, 2005.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 9th Day of March, 2006, A. D.




Executive Director

Order Number: 53374

EXHIBIT

"C"

DEC-15-05 04:14PM FROM-BURCH & STACCHIOLO

4022341341

AZ Corp. Commission



01411397

AZ CORPORATION COMMISSION

FILED

EXP DEC 07 2005
FILE NO. -12467379ARTICLES OF INCORPORATION
OFGLOBAL WATER - PALO VERDE UTILITIES COMPANY

1. **NAME.** The name of the Corporation is GLOBAL WATER - PALO VERDE UTILITIES COMPANY.
2. **INITIAL BUSINESS.** The purpose for which this Corporation is organized is for the purposes of operating a waste water facility/utility company.
3. **AUTHORIZED CAPITAL.** The corporation shall have authority to issue Ten Thousand (10,000) shares of Common Stock. The sole shareholder of the Corporation shall be Global Water Inc., a Delaware Corporation.
4. **KNOWN PLACE OF BUSINESS.** The street address of the known place of business of the Corporation is:

22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037
5. **STATUTORY AGENT.** The name and address of the Statutory Agent of the Corporation is:

Andrew Abraham, Esq.
702 E. Osborn Rd., Suite 200
Phoenix, Arizona 85014
6. **BOARD OF DIRECTORS.** The initial board of directors shall consist of the names and addresses of the persons who are to serve as the directors until the first annual meeting of the shareholders or until his/her successor is elected and qualifies is (are):

Trevor HJI
22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037

Cindy Liles
22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037

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1100

DEC-13-05 04:14PM FROM-BURCH & CRACCHIOLO

#6022340341

T-280 P.009/008 F-252

1246737-9

7. **OFFICERS.** The initial officer(s) of the Corporation who shall serve at the pleasure of the board of director(s) is (are):

Treyer Hill
22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037

Cindy Liles
22601 N. 19th Ave., Suite 210
Phoenix, Arizona 85037

8. **INCORPORATOR.** The name and address of the incorporator is:

Andrew Abraham, Esq.
702 E. Osborn Rd., Suite 200
Phoenix, Arizona 85014

All powers, duties, and responsibilities of the incorporator(s) shall cease at the time of delivery of these Articles of Incorporation to the Arizona Corporation commission.

9. **INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS.** The Corporation shall indemnify any person who in good faith incurs expenses or liabilities by reason of the fact he or she is or was an officer, director, employee or agent of the Corporation or is or was serving at the request of the Corporation, the partnership, joint venture, trust or other enterprise. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law.

10. **LIMITATION OF LIABILITY.** To the fullest extent permitted by the Arizona Revised Statutes as the same exists or may hereafter be amended, a director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for any action taken or any failure to take any action in good faith as a director. No repeal, amendment or modification of this article, whether direct or indirect, shall eliminate or reduce its effect with respect to any act or omission of a director of the Corporation occurring prior to such repeal, amendment, or modification.

EXECUTED this 1st day of December, 2005 by the Incorporator.

Signed: 

Andrew Abraham, Esq.
Phone: (602) 234-9917
Fax: (602) 234-0341

DEC-15-05 04:14PM FROM-BURCH & CRACCHIOLO

+602340341

T-210 P 108/608 F-252

-1244737-9

ACCEPTANCE OF APPOINTMENT BY STATUTORY AGENT

The undersigned hereby acknowledges and accepts the appointment as statutory agent of the above named corporation effective this 14th day of December, 2005.

Signed: Andrew Abraham

Andrew Abraham, Esq.
Phone: (602) 234-9017
Fax: (602) 234-0341

DEC-15-05 04:14PM FROM-BURCH & CRACCHIOLO

#622340341

T-230 P.087/008 F-252

ARIZONA CORPORATION COMMISSION
CORPORATIONS DIVISIONAddress: 1324 West Washington
Phoenix, Arizona 85007-2793Tucson Address: 408 West Congress
Tucson, Arizona 85701-1347PROFIT
CERTIFICATE OF DISCLOSURE
A.R.S. §16-202.D

GLOBAL WATER - PALO VERDE UTILITIES COMPANY

EXACT CORPORATE NAME

Is any person serving, either by election or appointment as officer, director, trustee, incorporator and person controlling or holding over 10% of the total outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation?

If yes, was the corporation involved in a transaction in connection with the preparation of this Certificate of Disclosure, the execution of which constituted of fraud, misrepresentation, theft by false pretenses, or receipt of funds or property in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?

If yes, was the corporation involved in a transaction in connection with the preparation of this Certificate of Disclosure, the execution of which constituted of fraud, misrepresentation, theft by false pretenses, or receipt of funds or property in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?

- (a) involved the violation of the corporation's laws of that jurisdiction; or
- (b) involved the violation of the corporation's laws of that jurisdiction; or
- (c) involved the violation of the corporation's laws of that jurisdiction.

No

YES, the following information MUST be attached:

- Full name, prior name(s) and address, if used.
- Full birth name.
- Present home address.
- Prior address(es) for immediate preceding 7-year period.
- Date and location of birth.

6. Social Security number.
7. The nature and description of each jurisdiction or judicial action, date and location, the court and public agency involved and file or case number of each.

Is any person serving as an officer, director, trustee or incorporator of the corporation served in any such capacity or held or controlled over 10% of a listed and outstanding common share, or 10% of any other proprietary, beneficial or membership interest in any other corporation which has been used in bankruptcy, receivership or held in charge, revocation, or administratively or judicially dissolved by any state or jurisdiction?

No

IF ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the corporation.
2. Full name (including aliases) and address of each person involved.
3. State(s) in which the corporation:
- (a) Was incorporated. (b) Has transacted business.
4. Dates of corporate operation.
5. Date and case number of bankruptcy or date of revocation/judicial dissolution.

The fiscal year end adopted by the corporation is Calendar

or penalties of law, the undersigned incorporator(s) declare(s) that (s)he has examined this Certificate, including any attachments, and to the best of (s)he knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED NOT THIRTY (30) DAYS OF THE DELIVERY DATE.

BY Andrew Abraham PRINT NAME Andrew Abraham

LE Incorporator DATE 12/7/05 TITLE DATE

MISTAKE CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. If within sixty days, any person serves as officer, director, trustee or person controlling or holding over 10% of the listed and outstanding shares or 10% of any other proprietary, beneficial, membership interest in the corporation and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by the new duly authorized officer of the corporation.

SIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.

0022 - Business Corporations
10-0-04

TOTAL P.05

DEC-15-05 04:14PM FROM:BLANCH & CRACCHIOLO

#022340241

T-200 P.003/000 P-252

COMMISSIONERS
JERRY HATCHER, L.L.M. - Chairman
WILLIAM A. WUNDERL
NANCY WINTER
WENDY GLEASON
KURTEN K. WATERS



ARIZONA CORPORATION COMMISSION

BRIAN G. NICKEL
Executive Director
DAVID RABEN
Director, Corporations Division

GLOBAL WATER - PALO VERDE UTILITIES COMPANY
ANDREW ABRAHAM, ESQ
702 E OSBORN RD # 200

PHOENIX AZ 85014- Effective Date: 12/15/2005
File No: -1245737-9

We are returning the enclosed document regarding the above-referenced Corporation/Limited Liability Company for the following reasons:
Note: Domestic Limited Liability Companies must return the corrected document within twenty (20) days of the rejection date to retain the original file date.

The filing fee has been deposited.

Indicate a brief statement of the character of business that the company initially intends to conduct in the state of Arizona.

If you have any questions, please feel free to give us a call at (602) 542-3135, or Arizona residents (only) may use the toll free number (800) 345-5619. You may also contact our Tucson location at (520) 626-6560.

***** IMPORTANT *****

To successfully process your document, it is imperative you return:
1) A copy of this letter,
2) Any changes which accompanied this letter (corrections made),
3) Any filings fees.

FILE: 001
REV. 05/2005
100 WEST WASHINGTON, PHOENIX, ARIZONA 85003/100 WEST CENTURIAL STREET, TUCSON, ARIZONA 85710-1147
www.arizona.gov (602) 606-1147

EXHIBIT

"D"

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****GLOBAL WATER - PALO VERDE UTILITIES COMPANY*****

a domestic corporation organized under the laws of the State of Arizona, did incorporate on December 7, 2005.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 9th Day of March, 2006, A. D.




Executive Director

Order Number: 53376